GOVERNMENT OF INDIA
PLANNING
LOK SABHA

UNSTARRED QUESTION NO:2121
ANSWERED ON:14.03.2007
CENTRAL ASSISTANCE TO STATES
Reddy Shri Mekapati Rajamohan

Will the Minister of PLANNING be pleased to state:

(a) whether the Union Government is contemplating to amend the existing Gadgil-Mukherjee formula for allocating Central assistance to State plans;

(b) if so, the details thereof and the reasons therefor;

(c) whether the less advanced States have sought higher weightage for backwardness; and

(d) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF PLANNING (SHRI M.V. RAJASEKHARAN)

(a) to (d) : The allocation of Central Assistance from Centre to States for the Annual Plans of States comprises of Normal Central Assistance (NCA), Additional Central Assistance for Externallly Aided Projects (EAPs) and ACA for special and other programmes. Allocation of NCA is based on the Gadgil-Mukerjee Formula as approved by the National Development Council (NDC) in December 1991. A change in the criteria for allocation of Central Assistance requires approval of the NDC. There is no proposal at present to change the criteria for allocation of Central Assistance to States.